

REGISTERED COMPANY NUMBER: 03324634 (England and Wales)
REGISTERED CHARITY NUMBER: 1064373

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2022
for
Bethshan Sheltered Housing Association

Morgan Griffiths LLP
Chartered Accountants
Statutory Auditor
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY

Bethshan Sheltered Housing Association

**Contents of the Financial Statements
for the Year Ended 31 March 2022**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 8
Report of the Independent Auditors	9 to 12
Statement of Financial Activities	13
Balance Sheet	14 to 15
Cash Flow Statement	16
Notes to the Cash Flow Statement	17
Notes to the Financial Statements	18 to 26
Detailed Statement of Financial Activities	27 to 28

Bethshan Sheltered Housing Association

**Reference and Administrative Details
for the Year Ended 31 March 2022**

TRUSTEES

Rev A L Hewitt
Rev J D Smith
Mr L Allen
M R Allport
Rev D H Curgenvén
Rev S R Curgenvén
E T Coomber
H Y Wenban
R W Tappin

REGISTERED OFFICE

Heol Treowen
Newtown
Powys
SY16 1JA

**REGISTERED COMPANY
NUMBER**

03324634 (England and Wales)

**REGISTERED CHARITY
NUMBER**

1064373

AUDITORS

Morgan Griffiths LLP
Chartered Accountants
Statutory Auditor
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY

SOLICITORS

Geldards LLP
Number One Pride Place
Pride Park
Derby
DE24 8QR

BANKERS

Bank of Scotland PLC - Cardiff
Barclays Bank PLC - Newtown
INVESTMENT ACCOUNTS
Aldermore Bank, Hodge Bank,
Cambridge & Counties Bank,
Hampshire Trust Bank, Redwood Bank,
Modulr Finance Ltd

SENIOR MANAGEMENT

Sylvia Campbell (Home Manager)
Roy Tappin (Registered Individual)
Debbie Cade (Finance Manager)

**Report of the Trustees
for the Year Ended 31 March 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

We primarily exist to meet the needs of the population of Newtown, Powys, and the surrounding areas. The objects of the charity remain 'the relief of poverty, sickness and old age' and Bethshan continues to fulfil these objects specifically by means of the provision of nursing home care for frail elderly persons as well as those living with more advanced forms of dementia. Despite the ongoing pandemic, we have been able to provide care for sixty-three individuals at the Home over the course of the year. We have seen a significant increase in the number of residents being admitted with Continuing Healthcare funding reflecting their more complex medical or mental health conditions. Whilst we remain under contract with Powys County Council to operate Day Care provision on our premises specifically for those with the early symptoms of dementia, this remained closed due to the coronavirus restrictions and the one remaining member of staff was made redundant following the end of the CJRS scheme.

Public benefit

The trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are satisfied that the services that we provide are accessible to all who need them regardless of their financial resources. Our concern has always been to ensure that good quality care is available to all and this has been the motivation behind our continued engagement with Powys County Council. Places are offered on the basis of medical condition and the same quality of service is provided to all residents regardless of their funding. We continue to look for appropriate ways to extend the scope of what we do so that more people can benefit from our expertise.

Volunteers

We have always had a number of volunteers associated with the Home and Day Centre, befriending residents, and supporting activities staff. Volunteers also assisted at the weekly church service providing musical accompaniment and helping residents to take part. Due to the ongoing coronavirus restrictions, we were unable to welcome our volunteers back this year. The only volunteer active throughout the year was the individual who provides us with IT support and advice. He has continued to work with us to ensure that all equipment is fit-for-purpose and adequate to meet our needs. In common with most organisations many meetings have continued to take place via video conferencing, including our trustees' meetings.

**Report of the Trustees
for the Year Ended 31 March 2022**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

This last year has continued to be challenging as, in common with other care sector organisations, we have had to adapt to frequently changing regulations and requirements in connection with Covid-19. Face-to-face visiting has resumed but in a more restricted form than prior to Covid and Covid outbreaks have necessitated periodic short "lock-downs". Almost all residents received their Covid vaccination and subsequent booster doses which has gone a long way to protecting them from serious illness.

Our activities staff have done their best to facilitate meaningful contact with family members and provide engaging activities for all. In addition to crafts, gardening, and pampering, we have had online entertainment including a sing-along version of a well-known musical, laughter yoga and spiritual input from our Chaplain when he was unable to visit in person. Abbreviated church services have resumed for our Davies Weston residents but without a "live" musician to accompany the hymns.

We had an in-house celebration for our 20th Anniversary in May with a display featuring contributions from current residents as well as photos from our history. No celebration is complete without cake, and we were treated to homemade cupcakes by our catering staff. A special edition of our newsletter was published featuring one of our founders who also fittingly became a resident towards the end of his life. Later in the year we had a public event hosted by Hope Church with presentations given to long-serving staff.

We undertook a complete refresh of our nursing units during the year with new carpets and curtains on both floors, along with redecoration of the corridors and lounge areas. A replacement pass-through dishwasher had to be purchased. We finally managed to have our new illuminated sign installed which gives a much more contemporary look to the outside of the building.

The cloud-based accounts software and new payroll software trialled last year have proved to work well enabling us to continue working when we experienced the failure of one of our laptops. We have seen further improvements this year by streamlining the payment of wages by integrating the payroll with a payments management system called Modulr.

Our provider of agency staff has pioneered a suite of online training courses specifically aimed at those in healthcare and this has met all our outstanding training needs which we were unable to deliver during the last 18 months because of Covid.

Covid-19

Infection control procedures have continued to be updated in line with guidance from the UK and Welsh Government which has placed a heavy burden on the Home Manager with increased workload inside the home and demands from the statutory bodies outside. In addition, as visits resumed there has been the necessity to carry out lateral flow tests on all visitors and record the results of these in addition to weekly staff PCR tests. There have been a number of outbreaks of Covid amongst both the staff and residents necessitating periods of self-isolation and restricting of visiting. Just one member of staff remained on the Job Retention Scheme whilst we waited for the decision regarding the future of the Day Centre. A second bonus payment was awarded by the Welsh Government to acknowledge the continuing hard work being undertaken by those working in the social care sector.

We have continued to operate an excellent nursing home under difficult circumstances, and we have received many letters and cards of gratitude.

FINANCIAL REVIEW

Financial position

The statement of Financial Activities show a surplus for the year of £132,490 (2021: deficit £39,060), and reserves now stand at £2,207,763 (2021: £2,075,273).

**Report of the Trustees
for the Year Ended 31 March 2022**

FINANCIAL REVIEW

Principal funding sources

Our primary source of income is the fees for providing nursing home and Day Care services. Incorporated into the annual fee increases was a weekly enhancement specially to offset the increase costs of working during the pandemic.

During the year, additional funding was made available by the Welsh Government to mitigate the additional costs involved in providing care during the pandemic as well as one-off payments to facilitate visiting by family and friends. These have been administered by the local Councils and claimed retrospectively. Additional Funded Nursing Care funding has also come from the Health Boards. Both sources of funding have tapered off towards the end of the 2021-22 financial year and there are no plans for these to continue into 2022-23.

Investment policy and objectives

Under the Memorandum and Articles of Association the charity has the power to make any investment, which the trustees see fit.

The trustees take seriously their responsibility to ensure that funds are not put at risk, but also seek to achieve the highest interest possible where surplus funds are in hand. Funds have been spread across wider financial institutions in order to take advantage of Government guarantees

Reserves policy

Free reserves which equate to net current assets (excluding restricted funds) amount to £900,062 (2021: £775,822).

The level of reserves was set at 3 months operating costs several years ago - this currently equates to approximately £436,000, and we have been able to maintain sufficient funds to meet this policy.

FUTURE PLANS

Specific plans for the coming year include:

- Continuing with re-decorating of the public areas,
- Solar panels,
- An open event to celebrate the Queen's Platinum Jubilee.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Report of the Trustees
for the Year Ended 31 March 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The charity runs a 40-bed Nursing Home and a specialist Day Centre for those in the earlier stages of dementia. Until 31st December 2020 there was also a charity shop which raised funds for the Nursing Home. This was sold in March 2021 and the remaining funds in the shop account were transferred to the Home in July 2021.

The day-to-day running of the Home including appointment of staff and all matters relating to the medical care of the residents is delegated to the Home Manager. The heads of the two nursing units and the Day Centre as well as ancillary staff report to the Home Manager.

The Responsible Individual is the person who bears responsibility for the overall running of the Home and compliance with the Care Standards. He represents the Home in relationships with external bodies.

The Finance Manager is responsible for the management and recordkeeping relating to the income and expenditure of the Home, the management of fixed assets and reserves as well as compliance with company and charity law for the organisation. The Home Manager, Responsible Individual and Finance Manager report to the Trustees at the regular management meetings which have continued to take place online throughout the year.

Bethshan is a member of Care Forum Wales which represents the interests of the care industry at both county and national (Wales) level, as well as Powys Association of Voluntary Organisations (PAVO).

Induction and training of new trustees

No new trustees were appointed during the year. Any new trustees appointed would receive copies of the key documents relating to the charity's work including the governing document, the latest annual report and accounts and guidance relating to their duties and responsibilities as a trustee. They would be required to sign a declaration affirming their suitability to function as a trustee; a copy of the "Fit and Proper Person" form for HMRC; and to read and sign the charity's Conflict of Interest declaration. Trustees are informed of appropriate training being offered and provided by Powys Association of Voluntary Organisations (PAVO).

Related parties

The charity has strong links with Hope Church (Newtown) - a separate charity - which had the vision for the Bethshan project and oversaw its construction. The trustees of Bethshan are drawn principally from the leadership of the church along with other individuals with key skills or knowledge.

**Report of the Trustees
for the Year Ended 31 March 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

In common with similar organisations, Bethshan has faced the risks associated with the ongoing Covid-19 pandemic. The Home Manager continued to take a cautious approach and has followed all guidelines to protect the residents and staff team. Whilst we were unable to avoid a number of individuals becoming infected with Coronavirus, no one became seriously ill. Early in the year we had a number of vacant beds, but occupancy has picked up and we have managed to achieve over 90% occupancy for the year. We have received financial support from the statutory agencies which has compensated for the under-occupancy and increased costs of staffing and infection control.

The other major risks, as summarised in our risk register, remained broadly the same, though there is increased awareness of cyber security threats as our dependence on IT increases.

The approach to risks taken by the trustees of Bethshan broadly follows the Charity Commission suggested categorisation i.e., Governance; Operational; Financial; External; and Compliance.

The major risks faced by Bethshan are as follows:

Health & Safety

This covers a wide range of issues from the safe operation of equipment within the building, to the appropriate use of cleaning chemicals. We also employ the services of a specialist consultancy to assist with the management of Health and Safety risks. They undertake a full audit of our policies and procedures each year and make suggestions for improvement. Issues raised by staff or others are addressed as they arise.

Health of Residents

There are several risks associated with our primary activity - the care of our residents - for example, incorrect administration of medication, accidents, and abuse. We have a range of policies detailing the correct procedures to be used regarding most normal activities which staff are required to follow. These policies are reviewed annually and updated as necessary. When substantial changes have been made to policies staff are required to demonstrate that they have familiarised themselves with the changes. Staff receive training relating to manual handling, Safeguarding of Vulnerable Adults, food hygiene, fire safety and first aid as required by CiW and other issues are addressed through mentoring and supervision. Training has been delivered online this year via the Newcross Learning Partner for Life material.

All appropriate equipment and PPE are provided where necessary.

Adequate complement of trained staff

There has been a general shortage of both nursing and care staff across the sector and we have been no exception. This has necessitated many staff, including the Home Manager, working considerable amounts of overtime to meet the needs of the residents, in addition to increasing use of agency staff. We have an excellent relationship with our staffing agency and most staff supplied are familiar faces who are well acquainted with our residents and ways of working.

Security

Security covers several areas of concern in addition to the obvious issue of physical security from intruders including risks to the security of information (e.g., personnel records, payroll information, other financial records, and resident's notes). We have a comprehensive IT Policy and cybercrime awareness has become increasingly high profile as cyber threats increase in frequency and sophistication. The use of Microsoft Office 365 with its cloud-based file storage, along with cloud-based accounts and other business software has proved invaluable during the last two years.

Financial

**Report of the Trustees
for the Year Ended 31 March 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

In addition to the physical security of records, financial risks also include fraud, including unauthorised access to the online banking system in addition to the viability of the business arising because of loss of income. Loss of income may occur for several reasons including reduction in statutory funding, shortage of clients, loss of reputation, or unforeseen expenditure not covered by insurance. This year, lower than normal occupancy has resulted from the restrictions placed on us by the pandemic but these have been largely offset by additional funding channelled through Welsh Government.

Monthly monitoring of income and expenditure against budget takes place to ensure that we have up-to-date awareness of the financial position of the organisation and reports are given to the trustees.

Fraudulent use of business funds is addressed by comprehensive financial procedures which are reviewed annually to ensure they remain relevant to current conditions and communicated to appropriate staff members.

Reputation

Some of the possible risks to the reputation of Bethshan have already been alluded to and fall under the following broad headings: Health & Safety incident/accident, Employment Law issues, abuse/negligence, other failure to comply with Care Standards or other legislation. Depending on the nature of the incident, these could have a very damaging effect on the business and must be taken very seriously. We employ a firm of consultants to guide us regarding Health & Safety and in connection with employment legislation we employ another firm of consultants to guide us through HR matters and ensure that our policies and procedures reflect changes in the law. Our attention to these critical matters has enabled Bethshan to have excellent inspection reports since we opened in 2001.

Compliance

As mentioned above, we use the services of outside consultants to ensure compliance with Health and Safety and employment legislation.

External risks

We have attempted to identify any potential risks that are out of our control as far as their causes, weigh up their probability and make plans to reduce their negative effects. Such risks include:

Power failure - to minimise the risk of being without power for a protracted period we have a contract with a company who will provide a back-up generator.

Adverse weather - in addition to the possible loss of power, it can be a challenge to maintain staff coverage. A list is maintained of staff who live within walking distance of the home willing to be called at short notice which is updated each year. We have a committed team, and everyone pulls together to ensure that any staff shortage does not impact on the delivery of care to the residents.

Other major catastrophes - substantial damage to the fabric of the building due to gas or water leak or severe weather can be minimised by good regular maintenance and inspection. Our insurance covers us for more serious incidents and includes business interruption.

Covid-19 - the risks presented by the global pandemic have been documented elsewhere.

Procedure for risk management within Bethshan

Responsibility for risk management lies with the board of trustees but on a day-to-day basis this is delegated to the senior management. Because of the pandemic the main risks were not reviewed in detail this year as the focus was very much on managing the risks of Covid-19 infection. There have been monthly meetings of the full board of trustees, continuing to take place by video conferencing. Trustees have received monthly reports of the effects of the pandemic on the residents and staff and the Home Manager has informed the Chairman of any significant changes in between meetings including action being taken to manage risks.

**Report of the Trustees
for the Year Ended 31 March 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Bethshan Sheltered Housing Association for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Morgan Griffiths LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 17 November 2022 and signed on its behalf by:



Mr L Allen - Trustee

Opinion

We have audited the financial statements of Bethshan Sheltered Housing Association (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Report of the Independent Auditors to the Trustees of
Bethshan Sheltered Housing Association**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including relevant legislation such as the Companies Act 2006, taxation legislation, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting relevant correspondence.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed nominal ledgers and tested journal entries reports to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- reviewing correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of
Bethshan Sheltered Housing Association**

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Morgan Griffiths LLP
Chartered Accountants
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY

17 November 2022

Bethshan Sheltered Housing Association

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2022**

		Unrestricted funds £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,127	-	5,127	4,776
Charitable activities					
Nursing Home Care		1,936,923	1,260	1,938,183	1,758,632
Other trading activities	3	-	-	-	22,241
Investment income	4	2,562	-	2,562	4,719
Total		<u>1,944,612</u>	<u>1,260</u>	<u>1,945,872</u>	<u>1,790,368</u>
EXPENDITURE ON					
Raising funds	6	132	-	132	27,261
Charitable activities					
Nursing Home Care	7	1,811,990	1,260	1,813,250	1,802,167
Total		<u>1,812,122</u>	<u>1,260</u>	<u>1,813,382</u>	<u>1,829,428</u>
NET INCOME/(EXPENDITURE)		132,490	-	132,490	(39,060)
RECONCILIATION OF FUNDS					
Total funds brought forward		2,075,273	-	2,075,273	2,114,333
TOTAL FUNDS CARRIED FORWARD		<u><u>2,207,763</u></u>	<u><u>-</u></u>	<u><u>2,207,763</u></u>	<u><u>2,075,273</u></u>

The notes form part of these financial statements

Balance Sheet
31 March 2022

	Notes	31.3.22 £	31.3.21 £
FIXED ASSETS			
Tangible assets	14	1,307,701	1,299,451
CURRENT ASSETS			
Stocks	15	-	144
Debtors	16	59,557	72,924
Cash at bank and in hand		870,285	735,441
		<u>929,842</u>	<u>808,509</u>
CREDITORS			
Amounts falling due within one year	17	(29,780)	(32,687)
		<u>900,062</u>	<u>775,822</u>
NET CURRENT ASSETS			
		<u>900,062</u>	<u>775,822</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>2,207,763</u>	<u>2,075,273</u>
NET ASSETS			
		<u>2,207,763</u>	<u>2,075,273</u>
FUNDS	19		
Unrestricted funds		<u>2,207,763</u>	<u>2,075,273</u>
TOTAL FUNDS		<u>2,207,763</u>	<u>2,075,273</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

**Balance Sheet - continued
31 March 2022**

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 17 November 2022 and were signed on its behalf by:



L Allen - Trustee

Bethshan Sheltered Housing Association

**Cash Flow Statement
for the Year Ended 31 March 2022**

	Notes	31.3.22 £	31.3.21 £
Cash flows from operating activities			
Cash generated from operations	1	205,970	27,402
Net cash provided by operating activities		<u>205,970</u>	<u>27,402</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(73,688)	(15,009)
Sale of tangible fixed assets		-	142,363
Interest received		2,562	4,719
Net cash (used in)/provided by investing activities		<u>(71,126)</u>	<u>132,073</u>
Change in cash and cash equivalents in the reporting period			
		134,844	159,475
Cash and cash equivalents at the beginning of the reporting period		<u>735,441</u>	<u>575,966</u>
Cash and cash equivalents at the end of the reporting period		<u><u>870,285</u></u>	<u><u>735,441</u></u>

The notes form part of these financial statements

Bethshan Sheltered Housing Association

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2022**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.22 £	31.3.21 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	132,490	(39,060)
Adjustments for:		
Depreciation charges	65,438	57,589
Loss on disposal of fixed assets	-	42,059
Interest received	(2,562)	(4,719)
Decrease in stocks	144	101
Decrease/(increase) in debtors	13,367	(29,422)
(Decrease)/increase in creditors	(2,907)	854
Net cash provided by operations	<u>205,970</u>	<u>27,402</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	735,441	134,844	870,285
	<u>735,441</u>	<u>134,844</u>	<u>870,285</u>
Total	<u>735,441</u>	<u>134,844</u>	<u>870,285</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Allocation and apportionment of costs

Support costs (excluding governance costs) have been apportioned to the activity - 'Nursing Home care' in full. Governance costs have been apportioned to activities based on the apportionment of salary costs.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost or valuation
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 33% on cost and 15% on reducing balance

No depreciation is provided on freehold land.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Items donated for resale or distribution, are not included in the financial statements until they are sold or distributed. The trustee's believe that the costs involved in determining the value of stock held for distribution would outweigh the benefit to the users.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Bethshan Sheltered Housing Association

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	31.3.22	31.3.21
	£	£
Donations	5,127	4,276
Gift aid	-	500
	<u>5,127</u>	<u>4,776</u>

3. OTHER TRADING ACTIVITIES

	31.3.22	31.3.21
	£	£
Shop income	-	2,096
Grant income	-	20,145
	<u>-</u>	<u>22,241</u>

4. INVESTMENT INCOME

	31.3.22	31.3.21
	£	£
Deposit account interest	<u>2,562</u>	<u>4,719</u>

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

5. INCOME FROM CHARITABLE ACTIVITIES

		31.3.22 £	31.3.21 £
Fees Receivable	Nursing Home Care	1,716,166	1,576,323
Day Centre	Nursing Home Care	-	6,464
Grants	Nursing Home Care	222,017	175,845
		<u>1,938,183</u>	<u>1,758,632</u>

Grants received, included in the above, are as follows:

	31.3.22 £	31.3.21 £
HMRC CJRS grant	1,260	50,516
Covid Hardship Funding	220,757	125,329
	<u>222,017</u>	<u>175,845</u>

6. RAISING FUNDS

Other trading activities

	31.3.22 £	31.3.21 £
Purchases	132	418
Staff costs	-	25,758
Heat & Light	-	356
Telephone, postage and stationery	-	274
Support costs	-	455
	<u>132</u>	<u>27,261</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Nursing Home Care	<u>1,789,486</u>	<u>23,764</u>	<u>1,813,250</u>

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.22	31.3.21
	£	£
Staff costs	1,343,429	1,332,767
Rates and water	7,451	7,454
Insurance	19,144	10,324
Light and heat	44,329	40,662
Sundries	4,152	6,020
Catering services	162,369	147,535
Incontinence supplies	49,956	52,036
Clinical waste	10,600	8,387
Medical supplies	1,386	2,128
Recruitment /training	1,510	11,209
Activities	3,798	2,562
Repairs & renewals	17,391	10,101
Service contracts & Call outs	32,613	26,141
Laundry & cleaning	27,987	25,189
Day Centre expenses	-	15
Depreciation	63,371	55,364
Loss on sale of assets	-	42,059
	<u>1,789,486</u>	<u>1,779,953</u>

9. SUPPORT COSTS

	Management	Governance	Totals
	£	costs £	£
Nursing Home Care	<u>14,007</u>	<u>9,757</u>	<u>23,764</u>

Support costs, included in the above, are as follows:

Management

	31.3.22	31.3.21
	Nursing Home Care £	Total activities £
Telephone	1,449	1,534
Postage and stationery	2,621	4,155
Advertising	1,398	838
Subscriptions	2,136	1,658
Motor, travel & other expenses	311	335
Professional fees	3,558	1,701
Bank charges & interest	467	508
Depreciation of tangible assets	2,067	2,225
	<u>14,007</u>	<u>12,954</u>

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

9. SUPPORT COSTS - continued
Governance costs

	31.3.22 Nursing Home Care £	31.3.21 Total activities £
Wages	6,757	6,715
Auditors' remuneration	3,000	3,000
	<u>9,757</u>	<u>9,715</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.22 £	31.3.21 £
Auditors' remuneration	3,000	3,000
Depreciation - owned assets	65,438	57,589
Deficit on disposal of fixed assets	-	42,059
	<u>-</u>	<u>102,648</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

The remuneration paid to Mr. Roy Tappin amounted to £6,757 (2021 £6,715) and is included in governance wages.

Trustees' expenses

No trustee expenses were paid in this year (2021 nil).

12. STAFF COSTS

	31.3.22 £	31.3.21 £
Wages and salaries	1,243,379	1,265,449
Social security costs	85,319	77,151
Other pension costs	21,488	22,640
	<u>1,350,186</u>	<u>1,365,240</u>

The average monthly number of employees during the year was as follows:

	31.3.22	31.3.21
Home Management	3	3
Qualified	8	8
Care Assistants	25	26
Auxiliary	5	6
Day Centre	-	1
Charity shop	-	1
	<u>41</u>	<u>45</u>

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

12. STAFF COSTS - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.22	31.3.21
£60,001 - £70,000	<u>1</u>	<u>1</u>

The average number of employees has been calculated as full time equivalents.

The charity considers its key management personnel comprise the senior management listed on page 1. The total employment benefits including employer pension contributions of the key management personnel for their management roles for the year ended 31 March 2022 were £81,068 (2021 £77,928). Included in the figures is £2,205 (2021 £1,000) in Social Care Recognition Payments.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4,776	-	4,776
Charitable activities			
Nursing Home Care	1,728,261	30,371	1,758,632
Other trading activities	12,096	10,145	22,241
Investment income	4,719	-	4,719
Total	<u>1,749,852</u>	<u>40,516</u>	<u>1,790,368</u>
EXPENDITURE ON			
Raising funds	17,116	10,145	27,261
Charitable activities			
Nursing Home Care	1,771,796	30,371	1,802,167
Total	<u>1,788,912</u>	<u>40,516</u>	<u>1,829,428</u>
NET INCOME/(EXPENDITURE)	(39,060)	-	(39,060)
RECONCILIATION OF FUNDS			
Total funds brought forward	2,114,333	-	2,114,333
TOTAL FUNDS CARRIED FORWARD	<u>2,075,273</u>	<u>-</u>	<u>2,075,273</u>

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2021	1,752,538	79,148	92,856	19,964	1,944,506
Additions	-	19,153	53,897	638	73,688
At 31 March 2022	1,752,538	98,301	146,753	20,602	2,018,194
DEPRECIATION					
At 1 April 2021	526,060	35,516	67,273	16,206	645,055
Charge for year	37,271	11,925	14,175	2,067	65,438
At 31 March 2022	563,331	47,441	81,448	18,273	710,493
NET BOOK VALUE					
At 31 March 2022	1,189,207	50,860	65,305	2,329	1,307,701
At 31 March 2021	1,226,478	43,632	25,583	3,758	1,299,451

Included in cost or valuation of land and buildings is freehold land of £200,000 (2021 - £200,000) which is not depreciated.

15. STOCKS

	31.3.22 £	31.3.21 £
Stocks	-	144

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22 £	31.3.21 £
Trade debtors	17,756	17,238
Other debtors	41,801	55,686
	59,557	72,924

Bethshan Sheltered Housing Association

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade creditors	26,780	27,194
Accruals and deferred income	3,000	5,493
	<u>29,780</u>	<u>32,687</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	31.3.22 Total funds	31.3.21 Total funds
	£	£	£	£
Fixed assets	1,307,701	-	1,307,701	1,299,451
Current assets	929,842	-	929,842	808,509
Current liabilities	(29,780)	-	(29,780)	(32,687)
	<u>2,207,763</u>	<u>-</u>	<u>2,207,763</u>	<u>2,075,273</u>

19. MOVEMENT IN FUNDS

	At 1.4.21	Net movement in funds	At 31.3.22
	£	£	£
Unrestricted funds			
General fund	2,075,273	132,490	2,207,763
TOTAL FUNDS	<u>2,075,273</u>	<u>132,490</u>	<u>2,207,763</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,944,612	(1,812,122)	132,490
Restricted funds			
HMRC CJRS Grant	1,260	(1,260)	-
TOTAL FUNDS	<u>1,945,872</u>	<u>(1,813,382)</u>	<u>132,490</u>

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	2,114,333	(39,060)	2,075,273
TOTAL FUNDS	<u>2,114,333</u>	<u>(39,060)</u>	<u>2,075,273</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,749,852	(1,788,912)	(39,060)
Restricted funds			
HMRC CJRS Grant	50,516	(50,516)	-
COVID grants	(10,000)	10,000	-
	<u>40,516</u>	<u>(40,516)</u>	<u>-</u>
TOTAL FUNDS	<u>1,790,368</u>	<u>(1,829,428)</u>	<u>(39,060)</u>

20. EMPLOYEE BENEFIT OBLIGATIONS

During the year the charity made pension contributions amounting to £21,488 (2021 £22,640). There were no amounts outstanding at the year end.

21. RELATED PARTY DISCLOSURES

During this year Hope Church (Newtown) provided chaplaincy services amounting to £668 (2021 nil due to COVID restriction). No amounts were outstanding at the year end (2021 nil). Hope Church (Newtown) has directors/trustees in common.

During the year the charity paid remuneration to the spouses' of the following trustee's amounting to £5,115 in total (2021: £23,792):

Rev A L Hewitt (to 31/01/2021 only)
Mr E T Coomber (to 31/01/2021 only)
Mr R W Tappin

Bethshan Sheltered Housing Association

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2022**

	31.3.22 £	31.3.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	5,127	4,276
Gift aid	-	500
	<hr/> 5,127	<hr/> 4,776
Other trading activities		
Shop income	-	2,096
Grant income	-	20,145
	<hr/> -	<hr/> 22,241
Investment income		
Deposit account interest	2,562	4,719
Charitable activities		
Fees Receivable	1,716,166	1,576,323
Day Centre	-	6,464
Grants	222,017	175,845
	<hr/> 1,938,183	<hr/> 1,758,632
Total incoming resources	<hr/> 1,945,872	<hr/> 1,790,368
EXPENDITURE		
Other trading activities		
Purchases	132	418
Wages	-	25,758
Heat & Light	-	356
Telephone, postage and stationery	-	274
	<hr/> 132	<hr/> 26,806
Charitable activities		
Wages	1,236,622	1,232,976
Social security	85,319	77,151
Pensions	21,488	22,640
Rates and water	7,451	7,454
Insurance	19,144	10,324
Light and heat	44,329	40,662
Sundries	4,152	6,020
Catering services	162,369	147,535
Incontinence supplies	49,956	52,036
Clinical waste	10,600	8,387
Medical supplies	1,386	2,128
Carried forward	1,642,816	1,607,313

This page does not form part of the statutory financial statements

Bethshan Sheltered Housing Association

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2022**

	31.3.22 £	31.3.21 £
Charitable activities		
Brought forward	1,642,816	1,607,313
Recruitment /training	1,510	11,209
Activities	3,798	2,562
Repairs & renewals	17,391	10,101
Service contracts & Call outs	32,613	26,141
Laundry & cleaning	27,987	25,189
Day Centre expenses	-	15
Depreciation of freehold property	37,271	42,944
Depreciation of plant and machinery	11,925	5,254
Depreciation of fixtures and fittings	14,175	7,166
Loss on sale of tangible fixed assets	-	42,059
	<hr/> 1,789,486	<hr/> 1,779,953
Support costs		
Management		
Telephone	1,449	1,534
Postage and stationery	2,621	4,155
Advertising	1,398	838
Subscriptions	2,136	1,658
Motor, travel & other expenses	311	335
Professional fees	3,558	1,701
Bank charges & interest	467	508
Depreciation of computer equipment	2,067	2,225
	<hr/> 14,007	<hr/> 12,954
Governance costs		
Wages	6,757	6,715
Auditors' remuneration	3,000	3,000
	<hr/> 9,757	<hr/> 9,715
Total resources expended	<hr/> 1,813,382	<hr/> 1,829,428
Net income/(expenditure)	<hr/> <hr/> 132,490	<hr/> <hr/> (39,060)

This page does not form part of the statutory financial statements